

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268

MAIL PROCESSING NETWORK RATIONALIZATION  
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS NERI TO  
AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORIES  
(APWU/USPS-T4—20(a-c&e)-21)  
(March 8, 2012)**

The United States Postal Service provides the responses of witness Neri (USPS-T-4) to the above-listed interrogatories of the American Postal Workers Union, AFL-CIO, dated February 23, 2012. Interrogatory APWU/USPS-T4-20(d) has been redirected to the Postal Service for an institutional response. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS NERI  
TO AMERICAN POSTAL WORKERS UNION INTERROGATORIES

**APWU/USPS-T4-20** Page 16, Line 20 of your testimony states that “these changes in service standards for FCM would apply to FCM letters, flats and parcels.”

- a) Please confirm that FCM parcels will be affected in the same way as FCM letter[s] as a result of these changes.
- b) If you cannot confirm, please explain any differences in the way F[C[M] parcels will be affected.
- c) What percentage of FCM parcels will see a change (reduction) in service standards, at each commitment level of overnight/1-day, 2-day and 3-day?

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- e) What percentages of customers are expected to be affected by the service standard changes in each category of customer including National Accounts, Preferred Accounts, Small Business, and Consumer?

**RESPONSE:**

- a) Please see the response to APWU/USPS-T1-29.
- b) Not Applicable.
- c) Please see the response to Presiding Officer’s Information Request No. 1, Question 1(b).

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- e) The Postal Service expects that a change in service standards could affect every customer, depending on where each customer enters mail, and the destination of that mail.

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**APWU/USPS-T4-21** How are FCM parcels processed in network plants and facilities?

- a) How many facilities have automated parcel sorting equipment?
- b) Do all mail processing facilities handle FCM parcels?
- c) Do facilities with parcel sorting equipment NOW co-process other sub-categories of parcel products, such as Standard Mail parcels, Package Mail and Priority mail, with FCM parcels on the same equipment, in the same shifts? Will this change if the service standards for FCM change?
- d) Are FCM parcels co-processed with FCM letters in a more general fashion, such as co-processing on the same shift, with the same CET times, etc?
- e) With the planned relaxation of service standards for FCM parcels, what will be the changes in any of these co-processing modes relative to other sub-categories of parcels in market-dominant and competitive classes?

**RESPONSE:**

Please see the responses to the subparts below.

- a) For purposes of this subpart, the Postal Service defines “automated parcel sorting equipment” to include the Automated Package Processing System, Small Parcel and Bundle Sorters, and Automated Parcel and Bundle Sorters. As of February 2012, there were 186 facilities that contain this equipment.
- b) All mail processing facilities perform distribution on First-Class Mail parcels as part of incoming distribution operations, but not as part of outgoing distribution operations. This response excludes Network Distribution Centers, Logistics and Distribution Centers, and Delivery Distribution Centers, and considers annexes to be an extension of the main facility.
- c) Yes. The processing methods described in this subpart are based on distribution and delivery requirements. If there is a change to service standards for First-Class Mail, a change to the processing methods described in this subpart is possible, but only to the extent that the distribution and/or the delivery requirements are no longer compatible.

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**RESPONSE to APWU/USPS-T4-21 (continued):**

d) Yes.

e) There are no planned, systemic changes. However, local facilities are not precluded from making adjustments to these “co-processing modes” based on local conditions.